

STATE OF CALIFORNIA



MEMO

To : BOARD DEVELOPMENT COMMITTEE Date: January 3, 2017
DAVID C. LIZÁRRAGA, CHAIR
KATHRYN ELLEN DOI, MEMBER

From : WILLIAM G. BRENNAN

**Subject: REPORT ON THE NATIONAL ASSOCIATION OF MOTOR VEHICLE
BOARDS AND COMMISSIONS (NAMVBC) FALL CONFERENCE BY BILL
BRENNAN, EXECUTIVE DIRECTOR, NEW MOTOR VEHICLE BOARD AND
NAMVBC PRESIDENT**

Last September, the National Association of Motor Vehicle Boards and Commissions held its annual workshop in Denver, Colorado. Danielle Vare and I attended on behalf of the Board. The workshop is becoming a “must attend” event. Attendance has increased annually the past four years primarily because of the strength of the agenda and the fact this it is one of the only forums that bring regulators, and dealer and manufacturer representatives together to share perspectives and discuss industry related topics.

An opening reception on September 14, was held at the law offices of Wheeler Trigg O'Donnell LLP. John Elway, a franchised new car dealer and general manager of the Denver Broncos, made remarks and posed for pictures. Bruce Benson, president of Colorado University was also an honored guest.

The next day the featured presentation was a panel discussion between Russell McRory and James McGrath, attorneys that battled through the court system up to a recent New York Court of Appeals decision in *Beck Chevrolet, Co., Inc. v. General Motors LLC*. The issue discussed was Sales Effectiveness, its Application in Decision –Making as well as Benefits and Pitfalls. To round out the presentation, Joseph Roesner, President, Fontana Group, Inc., Sharif Farhat, Vice President Expert Analytical Services, Urban Sciences and Jim Moors, Senior Counsel, National Automobile Dealers Association (“NADA”) discussed their roles as expert witnesses in franchise disputes. This was a unique opportunity to hear competing attorneys candidly discuss their court room strategy on a critical issue that dealers and manufacturers face in termination, relocation or establishment cases.

Glenn Mercer, and independent automotive consultant, who is internationally recognized and respected, discussed the Dealership of Tomorrow.

The issue of recalls and the overall implications of “grounding” vehicles were covered by Don Hall, President, Virginia Automobile Dealers Association, Joe Gebhardt, Owner of Davidson-Gebhardt Chevrolet & President of the Colorado Motor Vehicle Dealer Board and Andy Koblenz, Executive Vice President of Legal and Regulatory Affairs and General Counsel, NADA.

The day ended with a discussion regarding the very current issue of illegal export of vehicles out of the country. Numerous state governments have taken up this issue with new legislation.

On Friday, autonomous vehicles took center stage. Numerous speakers updated the audience on the development and deployment of this new technology. One of the most interesting discussions revolved around the impact of autonomous technology to other related and unrelated industries. What will happen to the collision, car repair and service industries? How will property and casualty insurance practice change? Will state and local revenues be negatively impacted when there are fewer cars on the road, parking and infraction revenues decline, and fewer parking lots are needed?

Bruce Gould, Executive Director of the Virginia Motor Vehicle Dealer Board gave an overview of current issues affecting regulators. Bruce is retiring as executive director after 20 plus years and shared valuable insights for regulators. And, finally, Greg Kirkpatrick, Executive Director, Arkansas Motor Vehicle Commission followed up Bruce’s comments with the topic “Stuck in the Middle with You: factories to the Left of Me, Dealers to the Right, Here I Am? Many regulators are doing a balancing act to keep their respective offices running smoothly.

As mentioned above, the true benefit of the NAMVBC is the opportunity to interface with regulators, dealers and manufacturer representatives. I have seen the value at the NMVB where attorneys who have spent time together at the annual workshop are more willing to work cooperatively to resolve a dispute to the mutual benefit of their clients.

This matter is being agendaized for information only at the January 18, 2017, General Meeting. If you have any questions concerning this matter, please contact me at (916) 324-6197.

cc: Glenn Stevens